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Canada Makes Progress in Combatting Money Laundering and Terrorist Financing

The Honourable Jim Flaherty, Minister of Finance, said a report released today by the Financial Action Task Force (FATF) shows Canada has made steady progress in combatting money laundering and terrorist financing since an assessment made in 2007.

"The FATF evaluation was done eight months ago, and we have made considerable progress since that time to identify and shut down this criminal activity," Minister Flaherty said. "When the actions the Government has taken recently are fully implemented, Canada will be compliant with virtually all of the FATF's Recommendations."

Minister Flaherty said the FATF report shows Canada has a solid regime in place in terms of legal structure, law enforcement powers, international cooperation and anti-terrorist-financing standards.

"This is consistent with the very positive assessment of Canada's financial sector released by the International Monetary Fund earlier this month," said Minister Flaherty.

The FATF notes that amendments to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and related regulations address the deficiencies it identified in the June 2007 report.

"We will be relentless in our efforts to combat money laundering and terrorist financing, and strengthening the Canadian regime is key," Minister Flaherty said.

Mr. Flaherty noted Budget 2008 provides $10 million over two years for the Canadian Security Intelligence Service and the Canada Revenue Agency's Charities Directorate to bolster existing capacities to combat terrorist financing.

"Our Government is committed to giving our law enforcement agencies the tools and resources they need to tackle crime," said the Honourable Stockwell Day, Minister of Public Safety. "That's why we are investing $400 million to support the provinces and territories in recruiting 2,500 new front-line police officers."

The FATF is an international body that develops and promotes policies to combat money laundering and terrorist financing.

A summary of the report is available on the FATF website at www.fatf-gafi.org. The full report will be posted on the FATF website in mid-March.

For further information, media may contact:

Chisholm Pothier
Press Secretary
Office of the Minister of Finance
613-996-7861

David Gamble
Media Relations
Department of Finance
613-996-8080

www.fin.gc.ca

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